

**REMARKS**

The final Office Action dated November 23, 2005, indicated in its summary that claims 97-131 are now pending and presently stand rejected. In view of the final office action, Applicant submits an RCE and this preliminary amendment that addresses the rejections made in the final office action. In view of the above amendments and the arguments urged below, reconsideration of this application is respectfully requested.

Also the office action indicated that the information disclosure statement filed on August 26, 2005, fails to fully comply with the 37 CFR 1.98(a)(2). Applicant respectfully submits that an information disclosure statement and forms PTO-1449 are contemporaneously filed with this amendment. With the information disclosure statement, copies of all the foreign patents and articles are also submitted. Consideration of these documents is respectfully submitted.

**Rejection of the claims in view of 35 U.S.C. Section 103(a)**

In paragraph 3 of the office action, claims 97-111 and 114-129 are rejected under 35 U.S.C. Section 103(a) as unpatentable over the patent to D'Agostino (U.S. Patent No. 5,606,496) in view of the patent to Smith (U.S. Patent No. 5,450,123) and further in view of the patent to Dagdeviren et al (U.S. Patent No. 5,371,534) and yet further in view of Grady et al. (U.S. Patent No. 5,712,906). The Examiner contends that the patent to D'Agostino discloses a commercial transaction communication system and differs from the claims only because it does not specify communicating dynamic, full-motion video. The Examiner relies on the patent to Smith to fill that apparent void in D'Agostino. The Examiner also recognizes that D'Agostino further differs from claims 97-129 because "although it teaches alternatively providing for a single link to transmit voice and data, it does not specify alternatively involving analog or digital lines." Accordingly, the Examiner now suggests that combining four not just three references would arrive at the claimed invention. Applicant contends that with no suggestion in any of the references that explicitly invites such a combination, the combination suggested by the Examiner is not proper. The Examiner argues that "each of the applied references relate to communications over the telephone network and teach features which are well known to be desirable in the telephony art to one of ordinary skill."

In paragraph 4 of the office action, claims 112-113 are rejected under 35 U.S.C. Section 103(a) as unpatentable over the combination of D'Agostino, Smith, Dagdeviren, and Grady as applied to claim 97 and further in view of Ando et al. To make this rejection, the Examiner relies upon a combination of five references. In paragraph 5 of the office action, the Examiner rejected claims 130-131 under 35 U.S.C. Section 103(a) as unpatentable over D'Agostino in view of Smith, Dagdeviren, and Grady.

For rejections under 35 U.S.C. Section 103, the establishment of a *prima facie* case of obviousness requires that all the claim limitations must be taught or suggested by the prior art. MPEP § 2143.03 The establishment of a *prima facie* case of obviousness requires that the claimed combination cannot change the principle of operation of the primary reference or render the reference inoperable for its intended purpose. MPEP § 2143.03

To resolve the issue of patentability based on obviousness, the Examiner must not only look to the teaching in the asserted references that meets the claimed limitations, but must also point to the motivation in the asserted references that invites a combination in the event one reference is devoid of a particular teaching. Simply using the benefit of hindsight in combining references is improper. *In re Lee*, 277 F.3d 1338, 1342-45 (Fed. Cir. 2002); *In re Deminski*, 796 F.2d 436, 442 (Fed. Cir. 1986)). Rather, obviousness is to be determined from the vantage point of a hypothetical person having ordinary skill in the art to which the patent pertains. See 35 U.S.C. § 103(a). The legal construct also presumes that all prior art references in the field of the invention are available to this hypothetical skilled artisan. *In re Carlson*, 983 F.2d 1032, 1038, 25 USPQ 2d 1207, 1211 (Fed. Cir. 1993).

An Examiner may often find every element of a claimed invention in the prior art. "Virtually all [inventions] are combinations of old elements." *Environmental Designs, Ltd. v. Union Oil Co.*, 713 F.2d 693, 698, 218 USPQ 865, 870 (Fed.Cir. 1983); see also *Richel, Inc. v. Sunspool Corp.*, 714 F.2d 1573, 1579-80, 219 USPQ 8, 12 (Fed.Cir. 1983). If identification of each claimed element in the prior art were sufficient to negate patentability, very few patents would ever issue. Furthermore, rejecting patents solely by finding prior art corollaries for the claimed elements would permit an Examiner to use the claimed invention itself as a blueprint for piecing together elements in the prior art to defeat the patentability of the claimed invention. Such an approach would be "an illogical and inappropriate process by which to determine

patentability." *Sensonics, Inc. v. Aerosonic Corp.*, 81 F.3d 1566, 1570, 38 U.S.P.Q.2d 1551, 1554 (Fed.Cir.1996). In other words, the Examiner must show reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed.

The claims at issue define substantial improvements over the applied art in the form of combinations of functionalities and system components or equipment that perform those functionalities. When properly viewed against the applicable standard, Applicant respectfully submits that none of the references of the proposed combination, when considered either individually or collectively, teach or suggest the claimed combinations of functionalities and system components.

Moreover, to expedite allowance of this application, claim 97 is further amended to explicitly require that each vendor group sells a different product or service. Respectfully, Applicant urges the Examiner to reconsider her rejections in view of the above amendments and arguments.

Respectfully submitted,

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